



Conflict management in family businesses.

A bibliometric analysis and systematic literature review

Andrea Caputo and Giacomo Marzi (University of Lincoln)
Massimiliano M. Pellegrini (University of Rome Tor Vergata)
Riccardo Rialti (University of Florence)

Summary of the Research



Purpose – The purpose of this study is to map the intellectual structure of the field of conflict management and the field of family business to the investigation of conflicts in family firms, with the aim of contributing to the further integration of knowledge between the two fields.

Design/methodology/approach – Family conflicts and work–family balance issues also received a lot of attention, yet studies in conflict management still seem to overlook a thorough investigation of conflict in family businesses.

Findings – The results of a bibliometric analysis and systematic literature review show that studies concerning conflict in family business aggregate around three clusters: organisational conflicts; firm growth and conflicts; and family control, performance and conflicts. An interpretative framework is also developed to interpret how antecedents, conflicts and growth dynamics in family business influence performances. Findings show how family conflicts and work–family balance issues received a lot of attention, yet studies in conflict management still seem to miss a thorough investigation of conflict in family businesses.

Theoretical Background

Family businesses



Family businesses, by definition, are a unique type of business in which two different social roles, the business entrepreneur and the family member, coexist with one another (Carr and Hmieleski, 2015), whereas non-family businesses are characterised by a more distinct compartmentalisation of the roles of the business owner as a family member.

The challenges and benefits of the interplay of the business role and the familiar role have influenced the development of a different approach to family business management compared to small business management (Kets de Vries, 1993).

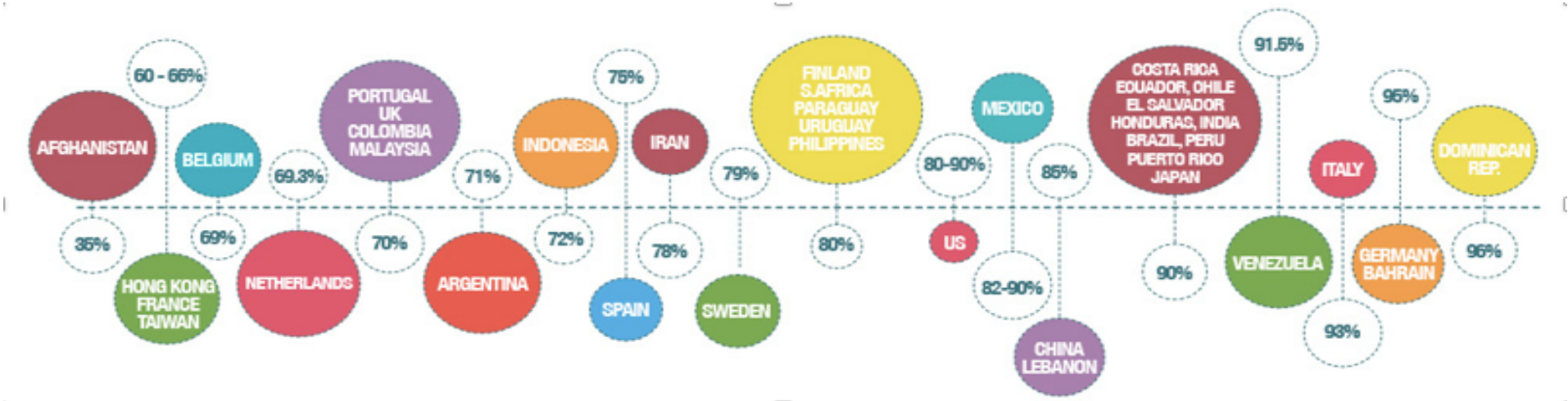
Theoretical Background

Family businesses



Family businesses have always played a relevant role in the economy. Indeed, family businesses play a fundamental role in the economic development of all of the countries in the world, and they have always represented one of the key elements of capitalist models.

From this perspective, according to data provided in the Business Yearbook 2014, family businesses anywhere in the world represent the majority of all businesses.



Theoretical Background

Actors involved in family businesses



Usually, actors within family businesses are split into **three** potential **categories** (Mandl, 2008):

- (1) the founder (or an heir of the founder) head of the company;
- (2) other family members employed by the company and/or participating in the property and/or the internal decision-making process; and
- (3) non-family members (if any) are aware of being influenced decisively in their actions by the family group.

Additionally, family business should never forget to pay attention to **stakeholders** orbiting around the firm.

Hence, it has been assessed that family businesses are marked by a complex interplay of the four elements: stakeholder and shareholder, business dynamics, workforce and family (Cooper et al., 2013).

Theoretical Background

Conflicts in family businesses



Family businesses may be plagued by several kinds of conflicts.

As an example, role conflict is kind on conflict caused by the fact that family members are faced with the presence of family in both their work and personal lives, contributing to the blurring of work and family roles. The main example of such conflict is work–family conflict,

Other conflicts may emerge in the form of **conflicting relationships between family members during inter-generational succession and transition** (Yoo et al., 2014). If not planned in advance and managed well, this process can initiate failure as a result of conflict, even in prosperous and consolidate companies.

Finally, another kind of conflict may arose from the **conflict between external managers and family members. Agency conflict is the best example.**

Literature Gap



Despite the fact that separate scholarly literature on family businesses and conflict management is, respectively, quite broad, research on conflict within family businesses is lacking.

In other words, the two strands of literature are still not fully integrated. Consequently, there are no comprehensive studies with a general application of conflict management theories or conflict resolution in family businesses. This is in spite of the considerable efforts that have been undertaken across a variety of disciplines (such as psychology, anthropology and political science) to understand, predict and control conflict. Unfortunately, these efforts have tended to remain rooted in their separate specialties, where conflict is often analysed out of its context (Davis and Harveston, 2001).

Method

Theoretical foundations of bibliometric methods



Bibliometric methods have been widely and increasingly used to provide a comprehensive map of the knowledge structure in a given field (Lopez- Fernández et al., 2016; Xi et al., 2015) or in a given journal (Marzi et al., 2017).

However, as we are investigating two separate fields of research in our study, to perform an accurate analysis of the literature concerning conflicts in family business, both bibliometric analysis and systematic literature review techniques are used (Caputo, 2013).

We first performed a bibliometric analysis, followed by a systematic literature review on the bibliometric results.

Method

Data collections



We applied the following query to the three main databases of academic papers (Web of Science Core Collection, Scopus, Hebsco)

**TS = (“family business*” OR “family firm*” or “family own*” or “family control*”)
AND TS = (conflict*)**

The following papers were extracted from the dataset

	WOS	Scopus	EBSCO
Initial query	271	282	305
Excluded (not on the topic of family firms)	54	104	163
Included (on the topic of family firms)	217	193	142

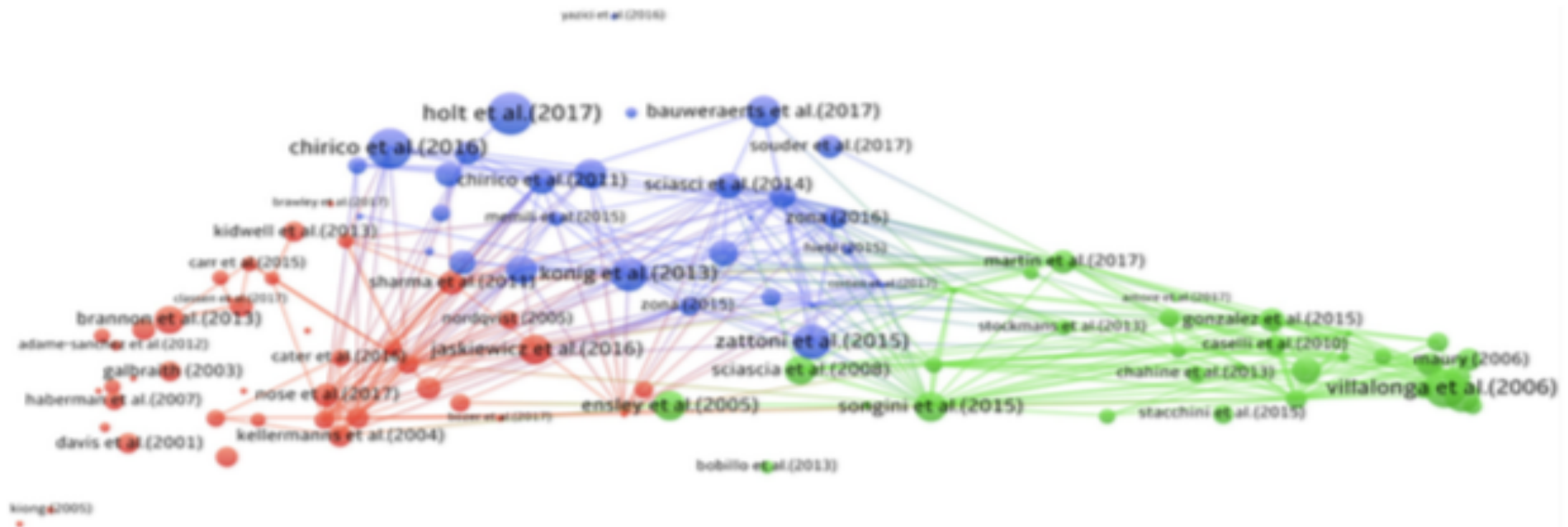
Using Chau et al. (2009) definition of family business as the including criteria, we identified 106 suitable papers that we used for the analysis.

Method

Results



Building on the the **visualization of similarities (VOS)** technique (Van Eck et al., 2006; Van Eck and Waltman, 2010), we identified the following three clusters (red, blue and green) present in existing literature on conflict in family businesses



Discussions

Red cluster, organizational conflicts



This cluster aggregates papers that focus on **the organisational conflicts that may arise in the management of family firms.**

The antecedents of conflicts are addressed, particularly those related to generational involvement (Kellermanns and Eddleston, 2004, 2006; Morris et al., 1997) and to clashing identities (Shepherd and Haynie, 2009; Sundaramurthy and Kreiner, 2008). In addition, different types of conflicts are also discussed in relation to benefits and/or costs that add to the decision-making process (Sharma and Sahrma, 2011; Zahra et al., 2007).

→Specifically, generational involvement is the most widely studied ←

Discussions

Blue cluster: Firm growth and conflicts



Broadly aggregated papers concerning the growth of family firms, either inquiring how innovations are adopted, or assessing impact on the EO of family firms, can be found in the blue cluster.

Thus, a temporal dimension of conflicts in this cluster is quite evident.

However, in comparison to the previous clusters, conflicts here are mostly variables that can influence outcomes, and thus we can say that conflicts for this cluster are indirectly tackled or are not the only concern of the paper. As premised, generally, growth can be assured with three organisational outcomes: **EO/behaviours, innovation adoption and innovativeness and professionalisation.**

Discussions

Green cluster: family control, performance and conflicts



The green cluster in general aggregates papers that use financial data to measure the performance of family firms.

Specifically, these papers are concerned with understanding how control of the family, either in the ownership or in the top management team, can affect performance. From a summary of results, the strong influence that families have on the business tends to reduce the value of family firms, as markets and investors feel threatened. However, when counterbalancing mechanisms of different natures are effective, family firms are winners. Thus, conflicts in this cluster are often not expressly cited, but they are implied as per their contribution in the raising of agency costs.

Yet, in this cluster, it is quite evident that the conflicts shown are not those occurring at organisational levels, as demonstrated in the other clusters. Rather, close attention is paid to the ownership structure.

Conclusions



While it emerged that the two literatures do not dialogue properly (i.e., family businesses scholars do not consider conflict management papers and vice versa), it was possible to get a systematization of literature on conflict on family businesses. In particular, it was possible to develop a framework about the sources of conflict, the main kinds of conflicts and their effect.



Suggestion for Future Researches



Results have shown that conflicts are extremely important in family firms. In particular, this confirms that conflicts are crucial in maintaining entrepreneurial and innovative orientation, balancing multi-generation involvement and counterbalancing the excessive power of family coalitions. All of this can be implemented through formal or informal processes designed to smooth conflicts.

As a consequence of our analysis, we can assert that the two streams of literature are currently not communicating.

Building on this, we call for future studies to integrate the two streams of research to help to further investigate conflict and conflict resolution strategies in family businesses. Our article has exemplified the great incentive of collaborating of researchers from different disciplines.

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**THANK YOU
FOR
YOUR
ATTENTION!
ANY QUESTIONS?**

Andrea Caputo, PhD

Reader in Entrepreneurship

Lincoln International Business School, University of Lincoln

acaputo@lincoln.ac.uk

Giacomo Marzi, PhD

Lecturer in Strategy and Enterprise

Lincoln International Business School, University of Lincoln

gmarzi@lincoln.ac.uk

Massimiliano M. Pellegrini, PhD

Associate Prof. of Organization Behaviour

Department of Management and Law, University of Rome 'Tor Vergata'

dr.massimiliano.pellegrini@gmail.com

Riccardo Rialti

PhD Student in Management

DISEI - Dipartimento di Scienze per l'Economia e l'Impresa, University of Florence

riccardo.rialti@unifi.it



**UNIVERSITY OF
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